

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

HOBBS OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

APR 26 2013

WELL API NO. 30-025-31846 ✓
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Arco SWD
8., Well Number 1 ✓
9. OGRID Number 247128 ✓
10. Pool name or Wildcat SWD, San Andres ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other SWD

2. Name of Operator
Celero Energy II, LP ✓

3. Address of Operator
400 W. Illinois, Ste. 1601
Midland, TX 79701

4. Well Location
Unit Letter O : 793 feet from the South line and 2271 feet from the East line
Section 18 Township 17S Range 39E NMPM County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/16/13 - MIRU, NDWH, NUBOP & CHG rams. PU scraper & bit & TIH to 2200'.

4/17/13 - TIH. Tag cmt @ 5599'. Circ mud to 3535'. TOH w/ bit & scraper. RIH w/ strip gun & shoot 4 SPF @ 3535'.

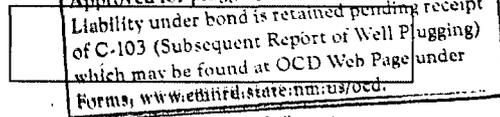
4/18/13 - PU pkr, TIH & set @ 3155'. Load hole could not pump into perfs @ 3535'. Unset pkr & TOH. PU PS & BP. TIH to 3585'. Pump 25 sx cl "C" w/ 2% CACL displace w/ 11 bbls. TOH & WOC. TIH w/ PS & BP, tag @ 3264'. TOH. RIH w/ strip gun to 1638' & shoot 4 SPF. TIH w/ pkr & set @ 1292' could not pump into perfs. TOH & PU PS & BP. TIH to 1691'. Pump 25 sx CL "C" w/ 2% CACL displace w/ 5 bbls mud. TOH.

4/19/13 - TIH w/ perf sub & BP. Tag cmt @ 1291'. TOH. RIH w/strip gun & shoot 4 SPF @ 400'. PU 1 jt & AD-1 pkr. Set @ 30'. Establish circulation on 8-5/8 x 4-1/2 annulus. Pump 120 sks class "C" & fill 8-5/8 X 4-1/2 annulus to surface. LD pkr. ND BOP & fill 4-1/2 to surface. RD. Dig out & cut off WH. Weld on marker. Well is now P&A.

Spud Date:

[Empty box for Spud Date]

Rig Release Date:



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Lisa Hunt TITLE Regulatory Analyst DATE 04/25/2013

Type or print name Lisa Hunt E-mail address: lhunt@celeroenergy.com PHONE: (432)686-1883

For State Use Only

APPROVED BY: [Signature] TITLE Dist. Mgr DATE 4-29-2013

Conditions of Approval (if any):

APR 30 2013